

**Gabriel-Chemie U.K. Ltd Retirement Benefits Scheme (1992)**  
**Annual DC Governance Statement for the Scheme Year ending on 5 April 2024**

**1. Introduction**

This Statement sets out how the defined contribution (“DC”) Section of the Gabriel Chemie UK Limited Retirement Benefits Scheme (1992) (the “Scheme”) has complied with the DC governance requirements, introduced in April 2015 under the Occupational Pension Schemes (Scheme Administration) Regulations 1996, as amended, between 6 April 2023 and 5 April 2024 (the “Scheme Year”).

Consideration has also been given to the Pension’s Regulator’s ‘A quick guide to the chair’s statement’ and to the Department for Work and Pensions Guide on ‘Reporting of costs, charges and other information’.

It is noted that:

- Dalriada Trustees Limited (the “Trustee”) is the sole trustee of the Scheme.
- The Trustee met once during the Scheme Year.
- The DC Section has been closed to future contributions since 30 June 2004 and has not been used for auto enrolment.
- In preparing this Statement information has been obtained from Aviva, the Scheme’s administrator.
- As per requirements, members will be notified of the relevant parts of this statement in their Annual Benefits Statement and this Chair Statement will be published on the publicly available website: <https://www.dalriadatrustees.co.uk/scheme/gabriel-chemie-u-k-ltd-retirement-benefits-scheme-1992/>

**2. Investments**

**Default investment arrangement**

As the DC Section has not been used for auto-enrolment and has been closed to contributions since 30th June 2004 it does not have a “default arrangement” as defined in the Occupational Pension Schemes (Investment) Regulations 2005 (SI 2005/3378) or the Occupational Pension Schemes (Charges and Governance) Regulations 2015 (SI 2015/879).

78% of Scheme members are invested in one fund, the ‘Aviva Managed Fund,’ which to all intents and purposes has been treated as the ‘default’ fund. The remaining 22% of assets are invested across the other 3 available funds.

Despite the lack of a “default arrangement” as defined in legislation, the Trustee has disclosed that asset allocation of the “Aviva Managed Fund” in the chart below which has been provided by Aviva.

**Asset allocation**



As at 31/03/2024

**Statement of Investment Principles**

As the Scheme has less than 100 members and does not have a “default arrangement” there is no requirement to prepare a Statement of Investment Principles (“SIP”).

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**Review of strategy and performance of investment funds**

Notwithstanding that the DC Section does not have a “default arrangement” as defined in legislation and is therefore not subject to some of the requirements that are prescribed by legislation (such as the requirement to review the default strategy and performance of the default arrangement and report on it in the Chair’s Statement), the Trustee has decided to include details of the most recent review of the strategy and performance of the funds that members are invested in.

The most recent review of the funds Scheme members are invested in was carried out in May 2020. The investment review has concluded the following:

Both funds which Scheme members are invested in are heavily invested in equities and targeting growth rather than preservation. As such, these funds are not suitable for members who are within 10 years or less from retirement;

Should the Trustee continue running the Scheme, a Default Lifestyle Strategy should be introduced in order to ensure that members are offered the right funds/strategy for their needs;

As an alternative, the Trustee could transfer the Scheme to another DC arrangement which would offer a suitable selection of funds and a Default Lifestyle Strategy for the members;

There are no issues with the funds’ performance. The funds have been satisfactorily managed against their benchmarks.

The Trustee has decided against making any changes to the arrangement and is currently considering the future of the scheme and potential consolidation and wind-up.

**3. Core Financial Transactions**

The Trustee must ensure that ‘core financial transactions’ are processed promptly and accurately and that the controls in place are reported to members. As the DC Section is closed to future contributions there are very few core financial transactions.

In the context of this Scheme “core financial transactions” include (but are not limited to):

- Transfers of benefits out of the Scheme;
- Switches of members’ investments between different funds within the DC Section;
- Payments from the DC Section to or in respect of members (e.g., payment of death benefits).

Arrangements are in place to ensure that core financial transactions are processed promptly and accurately:

- Scheme administration, investment fund administration and investment management are undertaken by the DC Section’s administrator, Aviva;
- The Trustee and Aviva have in place a service level agreement which includes relevant key performance indicators (KPIs) regarding the timescales for processing core financial transactions;
- The Trustee receives and reviews an annual administration report from Aviva which sets out their performance against the KPIs in the service level agreement;
- Aviva report any errors identified in relation to the processing of core financial transactions, with steps taken to rectify those errors.

80% of core financial transactions were completed within SLA timeframes. One transfer into the Scheme was performed just outside of SLA. The Trustee is satisfied that there has been no material impact on members.

Aviva has confirmed that the core financial transactions were processed promptly and accurately during the Scheme year.

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**4. Charges and Transaction Costs**

The Trustee has a duty to tell members about the member borne charges and transaction costs for the funds in which members were invested, and to assess the extent to which these charges and costs represent good value for members.

Fund name	Annual Management Charge % pa	Additional Expenses e.g. custodian, accounting costs	Total Expenses Ratio
Aviva Managed Fund	0.74%	0.00%	0.74%
Aviva UK Equity Fund (self-select fund)	0.74%	0.00%	0.74%
Aviva Pension Pre-retirement Fixed Interest FP (self-select fund)	0.74%	0.00%	0.74%
Aviva Pension Cash FP (self-select fund)	0.74%	0.00%	0.74%

**Transaction costs**

The charges referred to above do not include transaction costs. These are costs which fund managers incur when buying, selling, borrowing or lending the assets that make up the investment funds. In addition, investment and disinvestment costs are paid when members buy and sell funds. These costs are paid by members.

Due to the way in which transaction costs are calculated, it is possible for figures to be negative; since transactions costs are unlikely to be negative over the long term, the Trustee has shown any negative figures as zero.

The transactions costs quoted below have been supplied by Aviva:

Fund name	Transaction costs % pa
Aviva Managed Fund	0.1467%
Aviva UK Equity Fund	0.1609%
Aviva Pension Pre-retirement Fixed Interest Fund	0.0472%
Aviva Pension Cash Fund	0.0092%

**5. Net investment returns**

Aviva provided the gross returns (including charges) for the investment funds. On a best endeavours basis, the Trustee has calculated the net returns. The net investment returns refers to the returns on the Aviva funds, minus all transaction costs and charges, and can be found here:

**Annual performance to 31 March 2024 – Aviva UK Managed Fund**

	31/3/19 31/3/20	31/3/20 31/3/21	31/3/21 31/3/22	31/3/22 31/3/23	31/3/23 31/3/24
Fund (%)	-7.88%	25.40%	5.07%	-7.35%	8.63%
Benchmark (%)	4.73%	4.06%	4.14%	6.31%	9.08%
Sector Average (%)	-6.97%	23.88%	4.99%	-4.55%	9.74%
Quartile rank within sector	2	2	3	4	3

**Annual performance to 31 March 2024 – Aviva UK Equity Fund**

	31/3/19 31/3/20	31/3/20 31/3/21	31/3/21 31/3/22	31/3/22 31/3/23	31/3/23 31/3/24
Fund (%)	-21.35%	33.82%	9.12%	3.71%	4.46%
Benchmark (%)	-18.45%	26.71%	13.03%	2.92%	8.43%
Sector Average (%)	-21.01%	35.51%	5.39%	-1.20%	7.41%
Quartile rank within sector	3	2	2	1	4

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Annual performance to 31 March 2024 – Aviva Pension Pre-retirement Fixed Interest Fund

	31/3/19 31/3/20	31/3/20 31/3/21	31/3/21 31/3/22	31/3/22 31/3/23	31/3/23 31/3/24
Fund (%)	7.54%	-2.00%	-7.33%	-19.71%	0.37%
Sector Average (%)	11.37%	-3.81%	-7.87%	-25.64%	-1.29%
Quartile rank within sector	3	2	1	1	2

Annual performance to 31 March 2024 – Aviva Pension Cash Fund

	31/3/19 31/3/20	31/3/20 31/3/21	31/3/21 31/3/22	31/3/22 31/3/23	31/3/23 31/3/24
Fund (%)	-0.36%	-1.06%	-0.98%	1.10%	4.03%
Benchmark (%)	0.68%	0.06%	0.14%	2.22%	4.91%
Sector Average (%)	0.28%	-0.42%	-0.38%	1.32%	4.00%
Quartile rank within sector	1	3	3	2	2

These figures have been prepared in accordance with statutory guidance. And there was no information that the Trustee was unable to obtain.

## 6. Value for members

Certain DC schemes with a scheme year end falling after 31 December 2021 must carry out a more detailed Value for Members (VfM) assessment and include the findings in the annual Chair's Statement and submit these findings as part of the Annual Scheme Return.

Schemes such as the Gabriel-Chemie U.K. Ltd Retirement Benefits Scheme (1992) that meet certain criteria are required to perform the detailed assessment. The criteria are detailed below:

- Less than £100 million total assets
- Operated for at least three years
- A scheme year-end that falls after 31 December 2021.

The VfM assessment involves self-assessing the quality of the administration and governance with reference to seven key metrics and comparing the scheme's costs and charges, and net returns, against at least three other comparator schemes.

The three schemes which have been chosen to provide comparison against are NEST, The People's Pension and the Legal & General Master Trust. Aviva were also asked to provide terms for their Master Trust based on the scheme membership but declined due to the value of the scheme assets not meeting their minimum requirement. The L&G comparison is based on terms specifically provided for the scheme whilst the other comparators are based on the providers' standard terms. The guidance requires that the scheme performing the assessment must have had discussions with at least one of the comparator schemes about transferring – were the scheme to wind up. The Trustee of the Gabriel-Chemie U.K. Ltd Retirement Benefits Scheme (1992) confirms that such a discussion has taken place.

### NEST

The National Employment Savings Trust (NEST) is a not-for-profit Defined Contribution (DC) workplace pension scheme. NEST is as an authorised Master Trust, which is a trust-based pension scheme that is used by multiple non-associated employers and run by a single trustee (NEST Corporation). NEST was selected for comparison purposes for the following reasons:

- it would likely accept all members were the scheme to wind up
- it has an obligation to accept all employers
- investment performance data is publicly available
- standard charging basis which is publicly available
- it is a different style of pension scheme.

### The People's Pension

The People's Pension is an authorised Master Trust which was selected for comparison purposes for the following reasons:

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- it could be a potential option should the scheme wind up (will generally accept bulk transfer of assets from this type of scheme but possibly subject to an employer upfront fee – based on the average member fund value)
- investment performance data is publicly available
- standard charging basis which is publicly available
- it is a different style of pension scheme.

#### **Legal & General Master Trust**

The Legal & General Master Trust is an authorised Master Trust which was selected for comparison purposes for the following reasons:

- L&G quoted terms for the scheme
- Suitable default fund with easy access to past performance data via analytical tools
- it is a different style of pension scheme.

#### **Sources of Comparison Data**

Comparisons should be made against information contained in published disclosures from comparators. It is noted that in some cases, equivalent disclosures from comparators may not be available. In such instances, the Trustee may wish to request data from the providers, obtain data from other schemes (if available), or use commercially available information.

The following data has been used to perform the assessment of investment returns:

- NEST data has been collated using the NEST published data, based on their standard default fund and a suitable self-select fund
- The People's Pension data has been collated using the Financial Analytics Express analysis tool, based on their standard default fund and a suitable self-select fund
- Legal & General Master Trust data has been obtained using the Financial Analytics Express analysis tool, based on their standard default fund and a suitable

#### **self-select fund**

The performance figures used for both the Gabriel-Chemie U.K. Ltd Retirement Benefits Scheme (1992) and the three comparators has been collated as at 31 March 2024. It was not possible to use the actual scheme year end of 5 April 2024 as the NEST past performance data was not available at that date.

#### **Investment Returns**

As part of the VfM assessment, the Trustee should compare the investment returns of funds offered through their scheme with funds offered through comparators. The Trustee should place more weight on investment returns than on costs and charges.

Investment returns achieved by default funds should be given more weight than self-select funds.

The Trustee should compare the returns of their default fund against comparison default funds. It is not necessary for each default to have a similar asset allocation.

Self-select funds should be compared with the nearest funds available from the comparison arrangements selected.

<b>Assessed</b>	<b>Good Performance</b>	<b>Poor Performance</b>
Default/Single Fund	Majority of net returns are closely comparable with/better than the average for comparator funds	Majority of net returns are worse than the average for comparator funds
Overall Scheme	Net returns across a majority of funds offered by the scheme are closely comparable with/better than the average for comparator	Net returns across a majority of funds offered by the scheme are worse than the average for comparator funds (whilst greater weight is given to the default fund)

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funds (whilst greater weight is given to the default fund)

**Performance Comparisons**

The results of the investment performance comparisons are detailed below. Figures detailed are average annualised net performance to 31st March 2024 (in line with the quarterly reporting for the NEST fund performance). It was not possible to go back any further than 5 years due to the launch date of one of the comparison funds.

**Aviva Managed Fund**

The table below outlines the results of the comparison of the Aviva Managed Fund (which holds c.78% of the DC assets) with the standard default funds of the comparator schemes.

<b>Member aged 25 in 2024</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>
Gabriel-Chemie U.K. RBS (1992) Aviva Managed Fund	10.97%	5.47%	6.63%
NEST Retirement Date Fund	13.30%	4.60%	5.80%
The People's Pension Balanced Investment Profile	12.38%	4.35%	7.52%
Legal & General Master Trust Target Date Fund	12.25%	5.07%	6.89%
<b>Member aged 35 in 2024</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>
Gabriel-Chemie U.K. RBS (1992) Aviva Managed Fund	10.97%	5.47%	6.63%
NEST Retirement Date Fund	14.30%	5.70%	7.30%
The People's Pension Balanced Investment Profile	12.38%	4.35%	7.52%
Legal & General Master Trust Target Date Fund	12.25%	5.06%	7.02%
<b>Member aged 45 in 2024</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>
Gabriel-Chemie U.K. RBS (1992) Aviva Managed Fund	10.97%	5.47%	6.63%
NEST Retirement Date Fund	14.30%	5.70%	7.30%
The People's Pension Balanced Investment Profile	12.38%	4.35%	7.52%
Legal & General Master Trust Target Date Fund	11.54%	3.62%	5.52%
<b>Member aged 55 in 2024</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>
Gabriel-Chemie U.K. RBS (1992) Aviva Managed Fund	10.97%	5.47%	6.63%
NEST Retirement Date Fund	14.30%	5.70%	7.30%
The People's Pension Balanced Investment Profile	9.53%	2.36%	5.05%
Legal & General Master Trust Target Date Fund	8.82%	2.58%	4.88%

**Self-Select Fund: Aviva UK Equity**

The table below outlines the results of the comparison of the main self-select fund (which holds c.17% of the DC assets) with the most suited self-select option available in the comparator products. The performance relates to individual funds rather than lifestyle profiles or target date approaches and therefore the results are not linked to the age of a member.

<b>Fund</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>
Gabriel-Chemie U.K. RBS (1992)	8.21%	8.52%	7.86%

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Aviva UK Equity Fund			
NEST Higher Risk Fund	15.07%	6.28%	9.48%
The People's Pension Global Investments up to 100% Shares	15.30%	6.48%	10.02%
Legal & General Master Trust UK Equity Index	7.73%	7.81%	7.26%

**Conclusion**

When assessing the results of the Performance Comparisons, the Trustee has taken account of the following:

- The asset allocation of the scheme default fund at 5th April 2024
- The asset allocation of the comparator default funds at 5th April 2024
- The implications of there being no de-risking strategy in the scheme and how this impacts investment returns
- The availability of suitable alternative self-select funds – whilst all 3 comparator products have equity funds, only one has a UK equity fund

The scheme default fund investment returns over three and five year periods are broadly in line with the comparison products however some underperformance is noted over a one year period (with the exception of the de-risking phase of two of the alternative funds reviewed).

The same conclusion can be drawn from the self-select fund past performance review – the Aviva UK Equity fund returns compare reasonably over three and five years, with the one year return significantly underperforming two of the comparator self-select funds. Both the UK Equity funds analysed significantly underperformed the Global Equity Funds included in the comparison over a one year period.

When considering whether the scheme is providing Value for Members in relation to investment performance, the Trustee has also considered the following points:

- Whilst the analysis confirms some underperformance of the scheme default fund was noted against the comparison product returns, the Aviva Managed Fund outperformed sector returns over all periods reviewed.
- The scheme self-select fund included in the comparison (Aviva UK Equity Fund) has also outperformed sector returns over all periods reviewed.
- The Trustee is aware of the significant equity exposure within the scheme assets and notes that this investment strategy may not be suited to members who are within 10 years of normal retirement age.

Having reviewed the results of the past performance comparison, the Trustee concludes that the scheme is broadly providing value for members.

**Costs and Charges**

When assessing the Costs and Charges for VfM purposes, the Trustee should consider the most up to date charges/transaction costs available on the scheme funds and those of the comparators.

When assessing VfM, total charges/transaction costs for the default arrangement should be given greater weight than those for self-select funds.

<b>Good Performance</b>	<b>Poor Performance</b>
Costs and charges for the scheme are closely comparable with or lower than the average for comparator schemes	Costs and charges for the scheme are higher than those of the comparators, and no justification is provided
Higher scheme costs and charges can be justified where substantially higher investment returns have been achieved	

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The results of the costs and charges comparison is outlined in the tables below.

**Aviva Managed Fund**

<b>Member aged 25 in 2024</b>	<b>TER</b>	<b>Transaction Costs</b>	<b>Total</b>
Gabriel-Chemie U.K. RBS (1992) Aviva Managed Fund	0.74%	0.147%	0.887%
NEST Retirement Date Fund	0.30%	0.046%	0.346%
The People's Pension Balanced Profile	0.50%	0.06%	0.56%
Legal & General Master Trust Target Date Fund	0.44%	0.11%	0.55%
<b>Member aged 35 in 2024</b>	<b>TER</b>	<b>Transaction Costs</b>	<b>Total</b>
Gabriel-Chemie U.K. RBS (1992) Aviva Managed Fund	0.74%	0.147%	0.887%
NEST Retirement Date Fund	0.30%	0.058%	0.358%
The People's Pension Balanced Profile	0.50%	0.06%	0.56%
Legal & General Master Trust Target Date Fund	0.44%	0.10%	0.54%
<b>Member aged 45 in 2024</b>	<b>TER</b>	<b>Transaction Costs</b>	<b>Total</b>
Gabriel-Chemie U.K. RBS (1992) Aviva Managed Fund	0.74%	0.147%	0.887%
NEST Retirement Date Fund	0.30%	0.057%	0.357%
The People's Pension Balanced Profile	0.50%	0.06%	0.56%
Legal & General Master Trust Target Date Fund	0.44%	0.08%	0.52%
<b>Member aged 55 in 2024</b>	<b>TER</b>	<b>Transaction Costs</b>	<b>Total</b>
Gabriel-Chemie U.K. RBS (1992) Aviva Managed Fund	0.74%	0.147%	0.887%
NEST Retirement Date Fund	0.30%	0.057%	0.357%
The People's Pension Balanced Profile	0.50%	0.052%	0.552%
Legal & General Master Trust Target Date Fund	0.44%	0.07%	0.51%

**Self-Select Fund: Aviva UK Equity**

<b>Fund</b>	<b>TER</b>	<b>Transaction Costs</b>	<b>Total</b>
Gabriel-Chemie U.K. RBS (1992) Aviva UK Equity Fund	0.74%	0.161%	0.901%
NEST Higher Risk Fund	0.30%	0.069%	0.369%
The People's Pension Global Investments up to 100% Shares	0.50%	0.06%	0.56%
Legal & General Master Trust UK Equity Index	0.39%	0.03%	0.42%

**Conclusion**

The analysis confirms that the scheme costs and charges are higher than all three comparators. The Trustee notes that this does not necessarily demonstrate Value for Members and that more competitive charging may be available in an alternative arrangement. The costs and charges will be included in any review of the investment strategy or tender process (should a decision be made to wind up the scheme).

The Trustee acknowledges that the scheme is currently not offering Value for Members and is considering the future of the scheme and potential consolidation with a more suitable arrangement and winding the existing scheme.



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**7. Illustrative example of the cumulative effect of charges on a member's benefits over time**

Over a period of time, the charges and transaction costs that are taken out of a member's pension savings can reduce the amount available to the member at retirement. The Trustee has set out below illustrations of the impact of charges and transaction costs on 3 of the funds that members are invested in – the Aviva Managed Fund, the Aviva UK Equity Fund and the Aviva Pension Cash Fund. The illustrations have been prepared in accordance with the DWP's statutory guidance on "Reporting costs, charges and other information: guidance for trustees and managers of occupational pension schemes" on the projection of an example member's pension saving.

As each member has a different amount of savings within the Scheme and the amount of any future investment returns and future costs and charges cannot be known in advance, the Trustee has had to make a number of assumptions about what these might be. The assumptions are explained below: The figures in the third column represent the savings projection assuming an investment return with no deduction of member borne fees or transaction costs. The figures in the fourth column represent the savings projection using the same assumed investment return but after deducting member borne fees and an allowance for transaction costs. The transaction cost figures used in the illustration are based on those provided by Aviva.

The example below shows the cumulative effect of costs and charges on the value of a member's pension pot over time. This illustration does not relate to any individual member's fund.

**Projected pension pot in today's money**

**Aviva Managed Fund**

This fund was included in the illustrations because it contains the majority of the scheme assets and is considered the closest analogue to a default arrangement for the Scheme.

At end of year	The contributions into your plan	Before charges are taken	If only plan and investment charges are taken
1	£991	£1,000	£1,000
2	£1,987	£2,040	£2,020
3	£2,988	£3,110	£3,070
4	£3,993	£4,210	£4,140
5	£5,004	£5,350	£5,240
10	£10,131	£11,500	£11,100
15	£15,386	£18,800	£17,700
20	£20,770	£27,100	£25,100
25	£26,288	£36,800	£33,300
30	£31,942	£48,000	£42,600
35	£37,737	£60,900	£52,800
40	£43,674	£75,800	£64,200
At age 65	£49,863	£93,000	£77,000

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**Aviva UK Equity Fund**

This fund was included in the illustrations as it is the highest charging non-default fund in which members are invested.

At end of year	The contributions into your plan	Before charges are taken	If only plan and investment charges are taken
1	£991	£1,000	£1,000
2	£1,987	£2,040	£2,030
3	£2,988	£3,120	£3,080
4	£3,993	£4,230	£4,170
5	£5,004	£5,390	£5,280
10	£10,131	£11,700	£11,300
15	£15,386	£19,200	£18,100
20	£20,770	£28,000	£25,900
25	£26,288	£38,300	£34,600
30	£31,942	£50,400	£44,600
35	£37,737	£64,500	£55,800
40	£43,674	£81,000	£68,400
At age 65	£49,863	£100,000	£82,800

**Aviva Pension Cash Fund**

This fund was included in the illustrations as it is the lowest charging non-default fund in which members are invested.

At end of year	The contributions into your plan	Before charges are taken	If only plan and investment charges are taken
1	£991	£996	£992
2	£1,987	£2,000	£1,990
3	£2,988	£3,030	£2,990
4	£3,993	£4,070	£4,010
5	£5,004	£5,120	£5,030
10	£10,131	£10,600	£10,200
15	£15,386	£16,500	£15,600
20	£20,770	£22,900	£21,200
25	£26,288	£29,700	£27,000
30	£31,942	£36,900	£33,000
35	£37,737	£44,700	£39,200
40	£43,674	£53,100	£45,700
At age 65	£49,863	£62,100	£52,500

Notes:

1. Values shown are estimates and are not guaranteed.

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2. The illustration does not indicate the likely variance and volatility in the possible outcomes from each fund.
3. The illustrations are based on an individual aged 20, with earnings of £10,000 a year paying contribution levels set out in the contributions sections for 45 years.
4. The figures illustrate the pension pot value in 'today's money', which means they take inflation into account by discounting values at 2.0% per year.
5. The growth in the Aviva Managed Fund is assumed as 4.7% per annum compound.
6. The growth in the Aviva UK Equity Fund is assumed as 5.0% per annum compound.
7. The growth in the Aviva Pension Cash Fund is assumed as 3.0% per annum compound.

#### **8. Trustee knowledge and understanding**

Sections 247 and 248 of the Pensions Act 2004 set out the requirement for trustees to have appropriate knowledge and understanding of the law relating to pensions and trusts, the funding of occupational pension schemes, investment of Scheme assets and other matters to enable them to exercise their functions as trustees properly. This requirement is underpinned by guidance in the Pension Regulator's Code of Practice 7.

As the Trustee is a Professional Trustee, this helps to ensure that there is a high level of trustee knowledge and understanding in place.

The Scheme also has a dedicated team of Trustee Representatives who have an in-depth knowledge of the Scheme and its governing documentation.

At the point of becoming an Independent Trustee to the Scheme, a prescribed take-on process was followed. This included an assimilation and review of all the relevant scheme documentation, including the Trust Deed and Rules. The Trustee is familiar with current policies which relate to the Scheme.

As the sole Trustee of the Scheme, Dalriada Trustees Limited will naturally be aware of any Scheme-specific changes to policies or documentation and will record and share that information appropriately.

The Trustee's representatives are members of professional bodies, who are obliged to self-evaluate on an annual basis and comply with their respective training requirements in order to maintain a required level of continuing professional development (CPD) and to provide evidence of courses, seminars and other types of professional development to satisfy their respective professional bodies' CPD requirements. The process identifies where the Trustee's representatives can develop their knowledge and understanding, as well as where they can share their expertise in order to best support the Scheme. The Trustee's representatives attend both internal and external courses.

The Trustee's representatives are all accredited as Professional Trustees under the Association of Professional Pension Trustees framework.

Every Trustee Representative is required to undertake a minimum number of hours training in a year. This is recorded centrally by Dalriada's HR Team and, where appropriate, forms part of staff personal development plans. This training can include internal and external courses and attendance at industry events as well as a degree of self-learning by way of subscriptions to professional publications and electronic information channels.

Every Trustee Representative is required to complete the Pensions Regulator's Trustee Toolkit periodically and subscribes to the updates issued by the Pensions Regulator. Trustee representatives also belong to Dalriada's knowledge management network, which keeps them up to date with the industry thinking, as well as access to a team of in-house pensions experts who inform the team about changes to pensions legislation and practices. The Trustee has access to Pendragon Perspective and Aries, both industry leading tools, giving access to pensions law and practice.

The Trustee also has its own in-house legal specialists to provide support and guidance around legislation and the interpretation of Scheme documentation.

The Trustee has assessed the skill set and experience of each trustee representative providing professional trusteeship to the Scheme since Dalriada's appointment, taking into account the development activities already mentioned, along with the internal resources made available to staff, supplemented, where required, by professional external advice. The Trustee can therefore properly exercise its duties to the Scheme.

The Trustee believes that this Trustee Knowledge and Understanding framework, combined with appropriate advice, allows the Trustee to act properly in the best interests of members.

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The Trustee must be conversant with the Scheme's own documentation including the Trust Deed and Rules and, where applicable, the SIP. The Trustee Directors must also be conversant with any other document recording current policy relating to the Scheme generally. The Pensions Regulator interprets 'conversant' as having a working knowledge of those documents such that the Trustee is able to use them effectively when they are required to do so in the course of carrying out their duties on behalf of the Trustee.

This requirement has been met during the course of the Scheme year as the Trustee Representatives have undertaken ongoing training, both as a group and individually to keep abreast of relevant developments. This includes training to maintain knowledge of the DC Section and the regulatory framework relative to the DC arrangements.

<b>Requirement</b>	<b>How met</b>
<b>Trustees must have appropriate knowledge and understanding of the law relating to pensions and trusts and the funding and investment of the assets</b>	Each Trustee Representative records their ongoing training in accordance with the Dalriada Learning & Development structure.
<b>Trustees must be conversant with the Scheme's own documentation including the Trust Deed and Rules and current policies</b>	Each Trustee Representative records their ongoing training in accordance with the Dalriada Learning & Development structure, which includes specific consideration of whether any further training is required in respect of these documents, and others e.g. the risk register, which is considered at every trustee meeting.
<b>Knowledge and resources generally</b>	Dalriada comprises individuals with diverse professional skills and experiences, reflecting the varied nature of the issues that may arise in respect of DC pensions.

The table above shows how these duties have been fulfilled and how the combined knowledge and understanding, together with the advice which is available enables the client team to properly exercise its function as a Trustee of the Scheme properly and effectively.

**Signed for and on behalf of Dalriada Trustees Limited as the Trustee of the Gabriel-Chemie UK Ltd Retirement Benefits Scheme (1992)**

Date ..... 01/11/2024 .....

Signature .....  .....

Print Name ..... Tiziana Perrella .....